

Message Text

UNCLASSIFIED

PAGE 01 STATE 098960
ORIGIN L-03

INFO OCT-01 ISO-00 EB-08 PA-02 /014 R

DRAFTED BY L/EB:JHBELLO:ER

APPROVED BY EB:JIKATZ

-----062958 181847Z /50

P 181817Z APR 78

FM SECSTATE WASHDC

TO THE HONORABLE JERRY BROWN GOVERNOR OF CA
SACRAMWNT0 CA PLUS 14

UNCLAS STATE 098960

E.O. 11652:

TAGS:

SUBJECT:

1. I AM WRITING TO EXPRESS SUPPORT FOR SB1756, INTRODUCED BY SENATOR DILLS, TO EXEMPT FOREIGN CARGO CONTAINERS PRINCIPALLY USED IN THE TRANSPORTATION OF CARGO BY VESSELS IN OCEAN COMMERCE, FROM PROPERTY TAXATION FOR THE FISCAL YEAR 1979-80 AND FISCAL YEARS THEREAFTER. THE DEPARTMENT OF STATE IS PLEASED TO LEARN OF THE INTRODUCTION OF THIS BILL AND STRONGLY RECOMMENDS ITS PASSAGE.

2. ENACTMENT OF THIS BILL WOULD EXTEND INDEFINITELY THE PRESENT EXEMPTION OF SUCH CONTAINERS FROM PROPERTY TAXATION. IN RESPONSE TO PAST IMPOSITION OF LOCAL PROPERTY TAXES UPON SUCH CONTAINERS, FOREIGN GOVERNMENTS HAVE EXPRESSED THEIR CONCERNS THAT CONTAINERS OWNED BY THEIR CITIZENS MAY BE SUBJECTED TO DOUBLE TAXATION; I.E., TAXATION BOTH IN THE HOME COUNTRY AND IN CALIFORNIA. FOR EXAMPLE, THE DEPARTMENT RECENTLY RECEIVED AN AIDE-MEMOIRE FROM THE GOVERNMENT OF JAPAN COMPLAINING THAT LOCAL CALIFORNIA PROPERTY TAXES

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 098960

UPON FOREIGN CONTAINERS USED IN FOREIGN COMMERCE CONSTITUTE A TAX BURDEN WHICH IMPEDES THE SMOOTH DEVELOPMENT OF U.S.- JAPAN TRADE RELATIONS. ENACTMENT OF SB L756 WOULD PRECLUDE ANY RENEWAL OF SUCH CONCERNS ON THE PART OF FOREIGN GOVERNMENTS.

3. THE PROPOSED LEGISLATION WOULD ALSO LESSEN THE LIKELIHOOD OF RETALIATORY TAXATION MEASURES AGAINST U.S.

CITIZENS ENGAGED IN OCEAN COMMERCE ABROAD BY FOREIGN
GOVERNMENTS WHICH DO NOT CURRENTLY IMPOSE A PROPERTY
TAX UPON U.S. CONTAINERS.

4. WE BELIEVE THE PROPOSED LEGISLATION WILL FOSTER
THE FINANCIAL HEALTH AND WELL-BEING OF BOTH U.S. AND
FOREIGN VESSELS NOW OPERATING TO CALIFORNIA. THE LEGIS-
LATION APPEARS CONSISTENT WITH THE PRINCIPLE OF TAXATION
BASED UPON RECIPROCITY. WE HOPE IT WILL RECEIVE EARLY AND
FAVORABLE CONSIDERATION. CHRISTOPHER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LOBBYING, TAX LAW, CONTAINERIZATION, LEGISLATIVE BILLS
Control Number: n/a
Copy: SINGLE
Draft Date: 18 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE098960
Document Source: CORE
Document Unique ID: 00
Drafter: JHBELLO:ER
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Expiration:
Film Number: D780166-0289
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780443/aaaabctl.tel
Line Count: 72
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 887e07ac-c288-dd11-92da-001cc4696bcc
Office: ORIGIN L
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2929364
Secure: OPEN
Status: <DBA CHANGED> VJT 20040915
Subject: SUPPORT FOR SB1756
TAGS: ETRD, US, NL
To: THE HAGUE BROWN JERRY
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/887e07ac-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014